



— Montana Office of Public Instruction

Linda McCulloch
State Superintendent

House Bill 152 House Education Committee, Room 137 Capitol Superintendent Linda McCulloch Remarks

Mr. Chair, members of the Committee, for the record I'm Linda McCulloch, Superintendent of Public Instruction for the State of Montana.

Thank you very much to Representative Branae for sponsoring House Bill 152, which is requested by the Superintendent of Public Instruction.

This bill is all about providing a quality education for Montana's 145,416 public school students. This is not a complicated bill and everything in the bill directly pertains to fulfilling the definition of Quality Education as approved by the 2005 Legislature and now codified in 20-9-309, MCA.

To address meeting the Accreditation Standards "which represent the minimum standards upon which a basic system of free quality public elementary and secondary schools is built" (20-9-309, MCA), the first thing the bill does is add the inflation factor to the Basic entitlement and per-ANB entitlements, which drive school district general fund budgets. Legislation passed in the 2003 Session requires that the Governor add this inflator to his/her budget and then the Legislature votes on it. School districts need some mechanism to ensure that inflation is taken into account when they are planning their budgets and preparing for the upcoming school year. As reported, the inflator is 2.76% the first year (FY '08) and 3% the second year (FY '09).

At the time the 2003 Legislature put this inflator on all the funding components that existed at that time. Only the Basic and per-ANB entitlements existed then, so it only makes sense and is fair to add that inflator to the new school funding components added in the 2005 Special Session. HB 152 adds the same inflation factor to the American Indian Achievement Gap payment. The inflator for the At-Risk student payment

must be requested in HB 2 instead of this bill. Inflating both of these components begins to address the needs of students with special needs, specifically At-Risk students who are specifically identified in the quality definition.

To address obligations within Article X, Section 1(2) of the Montana Constitution within the quality definition and to further the requirement that schools train staff, obtain quality materials and integrate Indian Education for All into all curricular areas, I request a modest increase in the Indian Education for All component the first year instead of the inflator increase and then adding the 3% inflator onto the second year of the biennium.

One of the educationally relevant factors within the quality definition is to attract and retain qualified educators. To accommodate this I've requested the Quality Educator payment increase from \$2000 to \$4000 (inflated to \$4120, second year). During the last Interim, the Quality Interim Schools Interim Committee, known as QSIC, cast an affirmative bipartisan vote to support this \$4000 amount. The Quality Educator Payment also addresses the needs of small schools by recognizing fixed costs that do not decline when there is even a small drop in the student enrollment.

This proposal focuses on recruiting and retaining high quality teaching staff in Montana. These are the same teachers that have helped our students rank among the top states in the country for reading, math and science. We cannot ignore the fact that Montana educators are aging, moving out of the state, and leaving the profession.

Without qualified teachers to replace them, the high quality education offered by Montana schools is in jeopardy. I want to emphasize that this Quality Educator payment is not paid to the teacher, but to the school district, just as are all funding components. Rooted in local control, the local school boards will use this funding to address their school district's educational needs.

In addition, increasing funding through this component and all the new components does not raise local property taxes. Let me repeat that -- the funding is 100% state revenue. The new funding components from the 2005 Special Session helped bring the state share of general fund budgets up to 62% for the current school year, up from a low point of 60% in FY 2005.

As you know, the Governor has a school funding bill, SB 152, that just passed unanimously out of the Senate Education Committee. This bill is not in conflict with the Governor's bill. As a separately elected Executive Branch member and as Superintendent of Public Instruction, it is my responsibility to offer a school funding bill to the Legislature. Both of our offices work independently on these bills, just has always happened in past sessions. The similarities in both bills underscore the importance of funding our schools and for addressing the quality definition of education.

In fact, my office testified in support of the Governor's funding bill. Governor Schweitzer has done a great job in beginning to restore much needed funding to our schools and is committed to continuing to do so. In our testimony on SB 152 we offered amendments to expand the Governor's efforts, much like HB 152 today.

We must continue to build upon the funding from the last Session, not because there has been a lawsuit, but because it is the right thing to do for our students.

The engine that drives economic development is education. This bill is about Montana even more than it is about 145,416 students. Educating our children is the very best investment we can make in our state. The time is now!

I ask for your support for House Bill 152 and thank you for your time this afternoon.